

# SENATE RECORD VOTE ANALYSIS

104th Congress  
1st Session

Vote No. 443

September 19, 1995, 4:04 p.m.  
Page S-13802 Temp. Record

## WELFARE REFORM BILL/Final Passage

**SUBJECT:** Work Opportunity Act of 1995 . . . H.R. 4. Final passage, as amended.

**ACTION: BILL PASSED, 87-12**

**SYNOPSIS:** As amended and passed, H.R. 4, the Work Opportunity Act of 1995, will combine current Aid to Families with Dependent Children (AFDC) programs into a single discretionary block grant program, will block grant child care programs, and will reform the Supplemental Security Income (SSI) and food stamp programs. The Congressional Budget Office's preliminary estimate of the bill's total, 7-year budget effect is that it will reduce the deficit by \$65.9 billion. Details include those provided below.

### FAMILY ASSISTANCE BLOCK GRANTS

The AFDC entitlement programs will be replaced with a capped, discretionary block grant to the States and Indian tribes entitled "Temporary Assistance for Needy Families with Minor Children." Existing AFDC regulations will be eliminated, and States will be given broad discretion to determine eligibility and to design temporary welfare programs that move welfare recipients into the workforce.

State plans:

- to receive funds, States will have to submit plans outlining the family assistance programs they intend to implement;
- plans will include how States intend to meet minimum participation rates, how they intend to reduce out-of-wedlock pregnancy rates, and how they intend to move welfare recipients into the workforce;
- plans will include either: how States intend to make all non-exempt parents or caretakers on welfare accept community employment within 3 months of enrolling; or a notification that no such requirement will be enacted;
- 3-year strategic planning with benchmarks will be required;
- a plan will contain certain certifications, including that a State will operate: a child protection program; a child support enforcement program; a foster care and adoption assistance program; and programs that ensure access to Indians.

Federal funding:

(See other side)

YEAS (87)				NAYS (12)		NOT VOTING (1)	
Republican (52 or 98%)		Democrats (35 or 76%)		Republicans (1 or 2%)	Democrats (11 or 24%)	Republicans (1)	Democrats (0)
Abraham	Inhofe	Baucus	Graham	Faircloth	Akaka	Hatfield- <sup>3AY</sup>	
Ashcroft	Jeffords	Biden	Harkin		Bradley		
Bennett	Kassebaum	Bingaman	Heflin		Kennedy		
Bond	Kempthorne	Boxer	Hollings		Kerrey		
Brown	Kyl	Breaux	Inouye		Lautenberg		
Burns	Lott	Bryan	Johnston		Leahy		
Campbell	Lugar	Bumpers	Kerry		Moseley-Braun		
Chafee	Mack	Byrd	Kohl		Moynihan		
Coats	McCain	Conrad	Levin		Sarbanes		
Cochran	McConnell	Daschle	Lieberman		Simon		
Cohen	Murkowski	Dodd	Mikulski		Wellstone		
Coverdell	Nickles	Dorgan	Murray				
Craig	Packwood	Exon	Nunn				
D'Amato	Pressler	Feingold	Pell				
DeWine	Roth	Feinstein	Pryor				
Dole	Santorum	Ford	Reid				
Domenici	Shelby	Glenn	Robb				
Frist	Simpson		Rockefeller				
Gorton	Smith, Bob						
Gramm	Snowe						
Grams	Specter						
Grassley	Stevens						
Gregg	Thomas						
Hatch	Thompson						
Helms	Thurmond						
Hutchison	Warner						

### EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

### SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

- a base amount of \$16.8 billion will be provided for each of the next 5 fiscal years (equal to the AFDC amount provided in fiscal year (FY) 1994);
  - an additional \$879 million will be distributed over FYs 1997-2000 to those States with higher than average growth and lower than average welfare spending (see vote Nos. 410 and 415 for related debate);
  - States will be able to borrow from a \$1.7 billion revolving fund that will be created;
  - an additional 3 percent of the total amount provided for family assistance block grants in FY 1998 and an additional 4 percent in FY 1999 will be provided as incentive grants to those States which make progress in getting people off of welfare and into private sector employment;
  - in FY 2000 an additional 5-percent performance bonus will be available, based upon 5 performance factors, plus a high performance bonus will be given which will be equal to the amount in reductions in State grants in previous years due to penalties;
  - \$20 million will be appropriated each year for States to complete required studies and demonstrations;
  - an \$800 million emergency assistance fund will be created for assistance to States that received assistance in FY 1995 based on FY 1994 State Plan Amendments; \$160 million will be provided for each of FYs 1995-2000;
  - a contingency fund not to exceed \$1 billion will make funds available to States over 7 years at the Medicaid matching rates using the criteria for extending emergency unemployment assistance and a 100-percent maintenance-of-effort requirement (see vote No. 442);
  - \$150 million will be provided for "second-chance" homes for unmarried minors with children;
  - a State that reduces its out-of-wedlock birthrate by 1 percent in a year without increasing its abortion rate will be entitled to an additional \$25 per poor child, and if it achieves a 2 percent reduction it will be entitled to an additional \$50 per poor child (see vote No. 423 for related debate); and
  - a minimum of approximately \$1 billion per year in family assistance grant funding will be earmarked for child care assistance; additionally, \$3 billion will be appropriated for FYs 1996-2000 for child care assistance for eligible States (see vote No. 442); a state will be permitted to transfer up to 30 percent of its family assistance block grant to its assistance block grant for low-income families that will be created by this Act (see vote No. 407; see also CHILD CARE DEVELOPMENT BLOCK GRANTS below).
- State funding (Maintenance of effort):
- a State will have to continue welfare spending at 80 percent of its FY 1994 level, excluding the amount it spent on transitional Medicaid benefits in that year; and
  - Federal funding will be reduced to a State by the same amount that a State falls below that 80-percent level.
- Work requirements:
- a State will be required to have at least 25 percent of its caseload participating in work in FY 1996, increasing to 50 percent by FY 2000;
  - work requirements will be higher for 2-parent families, reaching 90 percent in FY 1999;
  - a State will not be required to include nonworking parents of children less than 12-months old in its work percentage calculations;
  - a State will be allowed to lower the work requirement to 20 hours per week for single parents with children under 6 years of age and still count such parents as working for purposes of meeting its work requirement percentages;
  - separate work participation requirements and time limits will be set for each Indian tribe (tribes will receive assistance directly rather than through the States);
  - six categories of "work" will meet the participation requirements: 1) unsubsidized employment; 2) subsidized employment (private or public sector); 3) on-the-job training; 4) community service; 5) job search (for the first 4 weeks of receiving benefits only); and 6) vocational educational training (for no more than 12 months for any individual, and no more than 25 percent of the working caseload in a State);
  - the minimum participation rate will be reduced for a State by the percentage, if any, that it has reduced the number of families from the previous year that receive assistance, except reductions required by Federal law or by changes in State eligibility rules will not be counted (the intention of this provision is to encourage States to pursue early intervention strategies to get people gainfully employed before they go on welfare);
  - a minimum of 20 hours of work per week by an individual will be needed to count that individual as working, increasing to 35 hours per week in FY 2002; States will be permitted to increase the number of hours of required work; and
  - States will be permitted to count individuals who leave the welfare rolls as participating in work for up to 6 months.
- Time limits on benefits:
- benefits will not be given to an individual for more than 2 years in a row;
  - benefits will not be given to an individual if the State determines that individual is "work ready;"
  - benefits will not be given to an individual for more than 5 years over that individual's lifetime (or for a lesser period, at a State's option);
  - the time an individual receives assistance as a minor child in a needy family will not be counted as part of the 5-year limit for that individual if that individual later seeks assistance as the head of a household with minor children; and

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- a State will be permitted to exempt up to 20 percent of its average monthly caseload from the 5-year lifetime limitation (see vote No. 442).

Penalties for individuals:

- States will deny assistance to a family with an adult who refuses to work on a pro rata basis, or by more at a State's option, unless the adult is a single custodial parent with a child age 5 or under who can demonstrate to a State's satisfaction the unavailability of child care;

- benefits will not be given to an individual if the State determines that individual is ready to work;
- States will be required to penalize individuals who refuse to work (each State will determine the penalties to apply);
- States will be allowed to terminate benefits for noncompliance;
- benefits will be denied for 10 years for any individual found to have fraudulently misrepresented residence in order to obtain assistance in 2 or more States;

- benefits will be denied to fugitive felons and probation and parole violators, and welfare agencies will provide information they have on fugitive felons and parole and probation violators to the police on request (see vote No. 402);

- each welfare recipient will be required to sign a personal responsibility contract that will outline the steps that will be taken to achieve self-sufficiency, or else to agree to a limited benefit plan of lower benefits and earlier termination; failure to meet the terms of a personal responsibility contract will result in automatic transfer to a limited benefit plan;

- applicants for assistance who are parents will be required to sign a Parental Responsibility Contract; benefits will be denied for failing to abide by the terms of a Parental Responsibility contract;

- States will not be prohibited from sanctioning welfare recipients who test positive for drug use; and

- States will be able to deduct the amounts that they were defrauded by former welfare recipients from those former recipients' Federal Internal Revenue Service tax returns.

State penalties:

- intentional misuse of grant funds by a State in a year will result in a 5-percent decrease in that State's family assistance grant in the succeeding year;

- failure of a State to submit a required report in a year will result in a 5-percent decrease in that State's family assistance grant in the succeeding year, though that penalty will be rescinded if the State submits the required report at any time in that succeeding year;

- failure to meet the minimum required work participation rates in a year will result in a 5 percent reduction in that State's family assistance grant in the succeeding year; in each subsequent year in which a State fails to satisfy such rate the reduction will be increased by 5 percent;

- failure to comply with any of the following will also result in a 5-percent reduction in a State's family assistance grant: the income and eligibility verification system; paternity establishment and child support enforcement requirements; and requirements to repay Federal loans for State welfare programs;

- in imposing the above penalties, a State will not receive more than a 25-percent reduction in a quarterly installment on its family assistance grant; to the extent that this limit prevents recovery for penalties, those penalties will be carried forward; and

- States will be required to spend additional sums on welfare equal to the amount of any penalty imposed.

Other provisions regarding minors:

- States may deny benefits for minors who have out-of-wedlock births;

- it is the sense of the Senate that States should make the parents of noncustodial minors who are unable or refuse to pay child support pay that child support;

- if both of a child's parents are minors and if that child receives benefits under this Act, then States will be required to have in effect laws and procedures which make child support orders jointly and severally enforceable against those minor parents and their parents; and

- States that provide assistance to unmarried minor parents will require those parents to live in adult-supervised settings and to attend school or an equivalent training program.

Family Cap:

- States will be permitted, but not required, to deny benefits for children born into families that are already on welfare (see vote No. 416).

Administration:

- Federal funds will have to be spent by a State in accordance with the same laws and procedures it follows in spending its own funds (see vote No. 401);

- administrative costs will be capped at 15 percent (see vote No. 402);

- before assessing any penalty against a State under this Act, that State will be given 60 days to propose a corrective plan, and, if that plan is accepted, have 90 days to implement it in order to avoid the penalty;

- the Federal welfare bureaucracy will be reduced by 75 percent (see vote No. 441); and

- States may not discriminate against religious providers who contract to provide services under this Act, except that they may

require them to form separate corporate entities to administer public funds (see vote No. 421).

**CHILD CARE DEVELOPMENT BLOCK GRANT**

- the State Dependent Care Planning and Development Grants and the Child Development Associate Credential Scholarship Program will be consolidated into the Child Care and Development Block Grant (CCDBG), which will receive \$1 billion in funding as a discretionary block grant for FY 1996, and such sums as necessary for FYs 1997-2000;

- this grant will provide child care benefits to low-income working families that are not on welfare;
- current law health and safety standards will be retained, but States will determine eligibility, transitional care benefits, and child care benefits;

- States will spend no more than 5 percent of their allotments on administrative costs, and will set aside 15 percent for quality assurance; and

- a State may transfer up to 30 percent of the funding for its family assistance block grant to its CCDBG grant.

**SUPPLEMENTAL SECURITY INCOME (SSI) (see also NONCITIZENS below)**

- drug and alcohol addiction will no longer be considered disabilities;

- drug addicts and alcoholics who suffer from other disabilities will have their payments go to third parties and will have to enroll in addiction treatment programs;

- \$50 million in each of FYs 1997-1998 will be added for substance abuse treatment (see vote No. 442);

- the individual functional assessment for children will be eliminated;

- States that currently provide the SSI Supplement will not have to continue to do so; and

- no State maintenance-of-effort requirement will be imposed.

**FOOD STAMPS:**

- States may elect to receive funds under the Food Stamp Program as a block grant (see vote No. 412 for related debate);

- up to 25 percent of a block grant may be spent on wage subsidies and other employment-based initiatives;

- if malnutrition and hunger among children rise in two consecutive 3-year periods in a State that has exercised the food stamp block grant option that option will be rescinded permanently for that State;

- a State will be permitted to revoke its election to participate in the optional Food Stamp block grant program, but after such election it will be permanently ineligible for the program;

- for all food stamp recipients, States may permanently disqualify recipients who have been cited for at least three work violations;

- benefits will be denied to able-bodied, non-elderly adults without dependents who have not worked at least 6 months out of the previous 12 months (for related debate, see vote No. 408);

- individuals will be sanctioned who voluntarily quit work or reduce the number of hours worked;

- States may obtain waivers for projects that reduce benefits or limit eligibility;

- States may extend benefits to employers as wage subsidies for up to six months per employment assignment; and

- States will be permitted to consider only a pro rata share of the income of an individual in a household who is ineligible for food stamps when determining the food stamp allotment for that individual's household.

**PATERNITY/CHILD SUPPORT:**

- States will have to meet a minimum paternity establishment ratio of 90 percent and will have to withhold family assistance benefits from recipients who do not cooperate in paternity establishment;

- noncustodial parents who are delinquent in paying child support payments will be ineligible for means-tested Federal benefits (see vote No. 405);

- arrearages in child support after a custodial parent leaves welfare will be paid to that custodial parent;

- child support arrearages that accrued before a custodial parent went on welfare will be paid to the State or to the custodial parent, at a State's option; and

- States will be required to restrict or revoke licenses (such as driver's licenses and professional licenses) of parents who do not pay their child support.

**NONCITIZENS:**

- to be eligible for SSI disability benefits, noncitizens must work and pay taxes for at least 5 years, and for SSI old age benefits they must work and pay taxes for at least 10 years;

- States will have the option of denying family assistance and food stamp benefits for noncitizens;

- for most means-tested programs, the income and assets of a legal immigrant's sponsor will be "deemed" to be the immigrant's income and assets when determining his or her eligibility for benefits; the deeming period will be 5 years for immigrants in the country as of the date of enactment of this Act, and 10 working years for future immigrants (see vote Nos. 427-428 and 433);

- most welfare benefits will be denied for illegal aliens (see vote No. 424); and

- State authority to restrict benefits to noncitizens will not apply to foster care or adoption assistance programs (see vote No. 420).

**MISCELLANEOUS:**

- Public Housing Authorities will be given authority to implement ceiling rents and to provide additional income disregards for

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the working poor;

- a recipient who loses means-tested benefits under one welfare program due to fraud may not use the resulting lower income as a basis for obtaining more benefits under another welfare program;
- \$75 million per year will be provided for abstinence education (see vote No. 442);
- the Commissioner of Social Security will develop a prototype of a counterfeit-resistant Social Security card;
- it is the sense of the Senate that Congress should adopt enterprise zone legislation in the 104th Congress;
- it is the sense of the Senate that the Congressional Budget Office should inform Congress of the unfunded costs this bill will impose on the States before the conference report on it is agreed to; and
- a \$5,000 refundable tax credit will be provided for adoption and foster care expenses (see vote No. 425).

**Those favoring** final passage contended:

The Senate began debating welfare reform on August 7. After a couple of days debate it appeared as if the Senate had reached a roadblock that it could not pass, and the press began writing post mortems. After 100 hours of debate and 41 votes, we are happy to prove the pundits wrong by passing this revolutionary reform bill.

The Great Society welfare programs began with the noble goal of eliminating poverty. Thirty years and \$5.4 trillion later, those programs have utterly failed. Despite an explosion in welfare spending, the percentage of children living in poverty has increased from 15 percent in 1965 to 22 percent today. The problem is that welfare rewards, with an ironclad, lifetime guarantee, what life punishes. The AFDC program and other welfare programs offer generous benefits to any woman who will have an illegitimate child and will not work. If she is married, the Government will give lesser rewards. If she works, she will not qualify for any rewards. Over the past 30 years, the benefits have become more generous. Each time benefits have increased social scientists have found that the rate of dependency has also increased. For many families, welfare has become a multigenerational tradition. Fifteen-year-old girls who have been given their own apartments, cash, and other benefits for having illegitimate children have become grandmothers at 30 and will likely become great-grandmothers at 45.

The problem is getting worse. One-third of all babies in America are now born out of wedlock. In 1950, only 5 percent were. In some American cities with high concentrations of poverty the illegitimacy rate is as high as 80 percent. If present trends continue, by 2003, just 8 years from now, half of all children born in America will be illegitimate. "Illegitimate" now is considered an impolite term by many Americans; and even "out of wedlock" is avoided as being judgmental. This trend is indicative of what our senior colleague from New York has called "defining deviancy down." As behavior becomes more unacceptable the standards are loosened to fit the new unacceptable behavior, no matter how destructive.

The sexual liberation movement of the 1960s brought "free love" that has been anything but free. Its costs have included crippling and deadly sexually transmitted diseases, tens of millions of abortions, tens of millions of children born into dependency with all of its attendant social pathologies, tens of millions of broken families, and more than \$5 trillion in social spending since the 1960s that the surviving families have been forced to pay in taxes on various means-tested welfare programs. To solve the problem, we think America needs to return to the moral obligations of self-sacrifice, social conformity, and abstinence.

Dependency is a curse for welfare recipients. Monetarily, they are well off by any historical measure of wealth, but in every other conceivable measure they suffer tremendously. The effects of dependency have been well-documented. Dr. Bennett's Index of Leading Cultural Indicators, released last year, statistically traces America's moral decline from 1960 to 1990. That study shows that a five-fold increase in social spending was accompanied by a massive disintegration of society. For instance, violent crime increased 650 percent, illegitimate births increased 419 percent, the divorce rate quadrupled, the percentage of children living in single-parent households tripled; the teen suicide rate increased by 200 percent, and SAT scores dropped by 80 points.

Numerous studies have found that children from single-parent households have suffered tremendously. They have increased health, educational, and social risks. For instance, they are three times as likely to end up on welfare as are other children, they are much poorer (46 percent of female-headed households are below the poverty line), and, according to the Bureau of the Census, only 29.8 percent of incarcerated juveniles are from 2-parent homes, yet they comprise 74.9 percent of all juveniles.

This bill will break the curse of dependency. For the first time in decades, there will be no guarantee that anyone who has a child and does not work will receive cash from the Federal Government. People who can work will be expected to get jobs. Even while receiving welfare they will be expected to be gainfully employed. No one will be allowed to make welfare a career. The longest time anyone will be allowed to receive it at a stretch will be 2 years, and the longest time anyone will be allowed to receive it in a lifetime will be 5 years.

After setting these requirements and a few other basic requirements, the Federal Government will get out of the way. Each State will receive a block amount of funding and will be told to reform welfare as appropriate for its circumstances. A few lucky States already have received waivers from current Federal welfare rules and have had some successes in reforming their welfare systems. With the much broader authority provided by this bill we anticipate much greater successes.

Some Senators have said that they find this bill to be harsh, and have warned of unintended consequences. In response, failure to act, or acting timidly as they propose, would almost certainly have the unintended consequence of leaving millions trapped in failed

and miserable lives of dependency. When a system is an utter failure, making minor changes to it can at best be expected to make it only marginally less than an utter failure. With the Federal Government calling all the shots, as some of our colleagues wish to continue, and with the right to welfare permanently guaranteed, as they also wish, no real reform would be possible.

We do not expect the dire unintended consequences from H.R. 4 of which our colleagues warn. This bill offers hope to the millions of Americans trapped on welfare. It demands responsibility; it demands work; it demands an end to dependence. The subtle narcotic of welfare has been allowed to exist for too long. This bill will stop it. The change will be quick--in 2 years, all current recipients of welfare are going to be off the rolls. Most of those recipients have been on those rolls for more than 10 years. This change is dramatic, bold, and overdue. We are proud to give our support to this bill.

**While favoring final passage,** some Senators expressed the following reservations:

We all agree that the current welfare system is a failure. Changes undoubtedly need to be made. The dispute is over what those changes should be. Our contention from the beginning was that true welfare reform would not be punitive. It would not seek to drive mothers and their children off of welfare by simply denying them benefits. Any reform bill worthy of the name would have to emphasize doing everything possible to help welfare recipients find jobs while at the same time making sure that children would not be harmed.

As amended, this bill now deserves to be called a reform bill. Most notably, it will provide \$8 billion in child care funding for mothers as they move from welfare to work. We cannot tell a mother of a young child that she must take a minimum wage job and leave her baby home alone. We are pleased to say that this bill now not only will require work, it will make it possible to get work as well. Another key change is that States will not be allowed to stop their welfare spending and still receive Federal funds. They will have to continue spending at least 80 percent as much as they currently spend; any further reductions below 80 percent will result in corresponding Federal reductions.

Still, this reform bill has many flaws left. For instance, it will block any funds from going to help children in families that have reached their lifetime limit for receiving welfare. We argued strenuously that vouchers should be given to provide for those children's needs, but we could not persuade our colleagues. Also, we do not think a \$1 billion contingency fund is large enough to respond to urgent needs States may experience.

H.R. 4 is clearly not perfect. It is just as clearly much better than when it was introduced. We opposed the bill as introduced because we thought it was too punitive; we favor the bill as it currently stands, no matter how flawed, because it will move our failed welfare system in the right direction.

**Those opposing final passage** contended:

Argument 1:

When we see the rising illegitimacy, crime, drug abuse, disease, abortion, divorce, infant mortality, educational failure, and suicide rates that plague welfare recipients, and when we see the number of people on welfare rise each year, we cannot dispute that the welfare system needs to be reformed. We recognize that the system does not work as intended, and we favor reforms. However, first and foremost, we strongly oppose ending the entitlement status for welfare. This bill will end welfare as an entitlement and hand the problem over to the States. This approach, we fear, will destroy the one aspect of the current welfare system that has worked--it has made sure that children in poverty had their economic needs met. Before the AFDC program existed, abandoned children scrounging to stay alive were common sights in America's cities. Study after study has confirmed that increasing welfare benefits results in increased dependency rates. However, no one knows what will happen when benefits decrease. Processes that move in one direction do not necessarily work in reverse. If we stop the entitlement, the result may not be that more people will work, but may instead be that more people, and more children, will be left with nothing. We do not favor taking that risk. We believe in guaranteeing the social security of all Americans, and must therefore oppose final passage.

Argument 2:

This bill represents a missed opportunity. Welfare rewards illegitimacy, and illegitimacy is destroying America. By 2003, if present trends continue, the illegitimacy rate will hit 50 percent. Children from single-parent families are several times more likely to be poor, to be criminals, to be drug addicts, to fail in school, to have low birth-weight babies, to be on welfare as children, and to themselves become single-parents on welfare. Our country cannot survive the destruction of the family. No country possibly could. Whom will our colleagues tax to support the welfare state when almost everybody is on welfare? This bill has positive elements--it ends welfare as an entitlement, it imposes time limits on benefits, and it has substantive work requirements. Unfortunately, though, it nearly ignores the most important step that is needed, which is to eliminate all Federal financial incentives to have children out of wedlock. Due to this failure, we urge the rejection of this bill.